

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.	SF 078496
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	
8. Well Name and No.	SAN JUAN 28-7 #278
9. API Well No.	30-039-26439
10. Field and Pool, or Exploratory Area	SOUTH BLANCO P.C.
11. County or Parish, State	RIO ARRIBA NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator CONOCO, INC.	
3a. Address P.O. BOX 2197 HOUSTON, TX 77252	3b. Phone No. (include area code) (281)293-1005
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1840' FSL & 1110' FEL I, SEC.35, T28N, R7W	

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Conoco requests to change our TD on this permit to drill to 3050'. Attached please find a new drilling program and cementing program.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) DEBORAH MARBERRY	Title REGULATORY ANALYST
Signature <i>Deborah Marberry</i>	Date 09/20/2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>/s/ Jim Lovato</i>	Title Office	Date OCT 11 2000
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

BLM/BLM

Operator Name: Conoco
Well Name: San Juan 28-7 #278
Job Description: 7" Surface @ 250 ft
Date: September 7, 2000



Proposal No: 151450938A

WELL DATA

ANNULAR GEOMETRY

ANNULAR I.D. (in)	DEPTH(ft)	
	MEASURED	TRUE VERTICAL
8.750 HOLE	250	250

SUSPENDED PIPES

DIAMETER (in)		WEIGHT (lbs/ft)	DEPTH(ft)	
O.D.	I.D.		MEASURED	TRUE VERTICAL
7.000	6.456	20	250	250

Float Collar set @	210 ft
Mud Density	8.80 ppg
Mud Type	Water Based
Est. Static Temp.	83 ° F
Est. Circ. Temp.	80 ° F

VOLUME CALCULATIONS

250 ft	x	0.1503 cf/ft	with	100 % excess	=	75.2 cf
40 ft	x	0.2273 cf/ft	with	0 % excess	=	9.1 cf (inside pipe)
TOTAL SLURRY VOLUME					=	84.3 cf
					=	15 bbls

Operator Name: Conoco
 Well Name: San Juan 28-7 #278
 Job Description: 7" Surface @ 250 ft
 Date: September 7, 2000



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FLUID SPECIFICATIONS

Spacer 20.0 bbls Fresh Water @ 8.34 ppg

<u>FLUID</u>	<u>VOLUME CU-FT</u>	<u>VOLUME FACTOR</u>	<u>AMOUNT AND TYPE OF CEMENT</u>
Cement Slurry	84	/ 1.41	= 60 sacks Type III Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 60.6% Fresh Water

Displacement 8.5 bbls Fresh Water @ 8.34 ppg

CEMENT PROPERTIES

SLURRY NO. 1

Slurry Weight (ppg)	14.50
Slurry Yield (cf/sack)	1.41
Amount of Mix Water (gps)	6.84
Estimated Pumping Time - 70 BC (HH:MM)	2:47

COMPRESSIVE STRENGTH

8 hrs @ 80 ° F (psi)	800
24 hrs @ 80 ° F (psi)	2150
48 hrs @ 80 ° F (psi)	3625

RHEOLOGIES

<u>FLUID</u>	<u>TEMP</u>	<u>600</u>	<u>300</u>	<u>200</u>	<u>100</u>	<u>6</u>	<u>3</u>
Cement Slurry	@ 80 ° F	142	122	107	91	35	24

Operator Name: Conoco
 Well Name: San Juan 28-7 #278
 Job Description: 4.5" Long String @ 3050 ft
 Date: September 7, 2000



Proposal No: 151450938A

WELL DATA

ANNULAR GEOMETRY

ANNULAR I.D. (in)	DEPTH(ft)	
	MEASURED	TRUE VERTICAL
6.456 CASING	250	250
6.250 HOLE	3,050	3,050

SUSPENDED PIPES

DIAMETER (in)		WEIGHT (lbs/ft)	DEPTH(ft)	
O.D.	I.D.		MEASURED	TRUE VERTICAL
4.500	4.052	10.5	3,050	3,050

Float Collar set @ 2,966 ft
 Mud Density 8.90 ppg
 Mud Type Water Based
 Est. Static Temp. 117 ° F
 Est. Circ. Temp. 95 ° F

VOLUME CALCULATIONS

250 ft x 0.1169 cf/ft with 0 % excess = 29.2 cf
 2,800 ft x 0.1026 cf/ft with 50 % excess = 430.9 cf
 84 ft x 0.0896 cf/ft with 0 % excess = 7.5 cf (inside pipe)
TOTAL SLURRY VOLUME = 467.7 cf
= 83 bbls

Operator Name: Conoco
Well Name: San Juan 28-7 #278
Job Description: 4.5" Long String @ 3050 ft
Date: September 7, 2000



Proposal No: 151450938A

FLUID SPECIFICATIONS

Spacer

20.0 bbls Fresh Water @ 8.34 ppg

<u>FLUID</u>	<u>VOLUME CU-FT</u>	<u>VOLUME FACTOR</u>	<u>AMOUNT AND TYPE OF CEMENT</u>
Cement Slurry	468	/ 2.02	= 232 sacks (35:65) Poz L (Fly Ash L):Type III Cement + 10 lbs/sack CSE + 0.25 lbs/sack Cello Flake + 0.2% bwoc CD-32 + 0.65% bwoc FL-62 + 6% bwoc Bentonite + 105.8% Fresh Water

Displacement

47.3 bbls 2% KCL Water @ 8.34 ppg

CEMENT PROPERTIES

SLURRY NO. 1

Slurry Weight (ppg)	12.50
Slurry Yield (cf/sack)	2.02
Amount of Mix Water (gps)	10.63
Estimated Pumping Time - 70 BC (HH:MM)	4:20
Free Water (mls) @ 108 ° F @ 90 ° angle	0.4
Fluid Loss (cc/30min) at 1000 psi and 108 ° F	664.0

COMPRESSIVE STRENGTH

24 hrs @ 141 ° F (psi)	1025
48 hrs @ 141 ° F (psi)	1650

RHEOLOGIES

<u>FLUID</u>	<u>TEMP</u>	<u>600</u>	<u>300</u>	<u>200</u>	<u>100</u>	<u>6</u>	<u>3</u>
Cement Slurry	@ 110 ° F	50	30	27	21	15	12

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0136
Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input checked="" type="checkbox"/>		300 SEP 21 AM 11:56 JUN -6 PM 1:06	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		070 FARMINGTON, NM SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>	
2. NAME OF OPERATOR Conoco Inc.		3. LEASE DESIGNATION AND SERIAL NO. SF 078496	
3. ADDRESS AND TELEPHONE NO. 10 Desta Drive, Suite 649W, Midland, TX 79705; 915/686-5515		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*) At surface 1840' FSL & 1110' FEL At proposed prod. Zone 1840' FSL & 1110' FEL		7. UNIT AGREEMENT NAME San Juan 28-7	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*		8. FARM OR LEASE NAME WELL NO. 278	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. Unit line, if any)		9. API WELL NO. 30-039-26 939	
16. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		10. FIELD AND POOL, OR WILDCAT South Blanco PC/Basin FC	
17. ELEVATIONS (Show whether DF, RT, GR, etc.) 6098		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 35, T28N, R7W	
6. NO. OF ACRES IN LEASE 640		12. COUNTY OR PARISH Rio Arriba	
9. PROPOSED DEPTH 3250' 2950'		13. STATE NM	
20. ROTARY OR CABLE TOOLS Rotary		22. APPROX. DATE WORK WILL START* 4/30/00	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 3/4"	J-55; 7"	20#	250'	70 sxs, circ.
6 1/4"	J-55; 4 1/2"	10.5#	2950'	310 sxs, circ.

It is proposed to drill a vertical wellbore to be downhole commingled in the Blanco Pictured Cliff and Basin Fruitland Coal Pools following the acquisition of sufficient production test data for allocation purposes. A downhole commingling application will be filed with the BLM and OCD. An NOS was filed 10/2/98. The well will be drilled and equipped according to the following additional attachments:

1. Well Location & Acreage Dedication Plat (C-102).
2. Proposed Well Plan Outline. This action is subject to technical and procedural review pursuant to 43 CFR 3165.3
3. Cementing Plan. and appeal pursuant to 43 CFR 3165.4.
4. Blowout Preventer Hookup.
5. Surface Use Plan including temporary pipeline tie specifications.
6. Production Facility Layout.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO CONFORMANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

APD/ROW

This application includes ROW's for the well pad, access road, cathodic protection, and pipeline. The pipe-wall thickness is .156 and the pipe-wall strength is 42,000# yield.

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED [Signature] TITLE Sr. Property Analyst DATE 06/05/00
(This space for Federal or State office Use) NJS

PERMIT NO. Per. [Signature] APPROVAL DATE 7-5-00
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Per. [Signature] TITLE [Signature] DATE 7-5-00

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCB

NO. 1 in Basin Fruitland

1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources DepartmentForm C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 CopiesDistrict II
Drawer 00, Artesia, NM 88211-0719District III
1000 Rio Brazos Rd., Aztec, NM 87410District IV
PO Box 2088, Santa Fe, NM 87504-2088OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

200 SEP 21 AM 11:56

200 JUN -6 PM 1:03

☐ AMENDED REPORT

WELLOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name
		72439 / 71629	SOUTH BLANCO PICTURED CLIFFS/BASIN FRUITLAND COAL
*Property Code	*Property Name		*Well Number
016608	SAN JUAN 28-7 UNIT		278
*OGRIID No.	*Operator Name		*Elevation
005073	CONOCO, INC.		6098'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	35	28N	7W		1840	SOUTH	1110	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
327.70			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16		5280.00'		7 OPERATOR CERTIFICATION	
				I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
				Signature	
				JoAnn Johnson	
				Printed Name	
				Sr. Property Analyst	
				Title	
				Date	
				17 SURVEYOR CERTIFICATION	
				I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision and that the same is true and correct to the best of my belief.	
				MAY 19, 2000	
				Date of Survey	
				Signature and Seal of Professional	
				NEALE C. EDWARDS	
				NEW MEXICO	
				6857	
				Certificate Number	
				6857	

LOT 4 LOT 3 LOT 2 LOT 1

1372.80' 1320.00' 2640.00' 5274.06' 1840' 1110' 1320.00' 1471.80'

35

At Conoco our work is never so urgent or important that we cannot take time to do it safely.
SAN JUAN DRILLING PROGRAM

WELL INFO	Well: San Juan 28-7 #278			Area: 28-7		AFE #		AFE \$:		
	County: Rio Arriba			State: New Mexico		Rig:		RKB- 13'		
	API # 30-039-26439		Permit #			Fresh Wtr Prot: Circulate cement on surface casing				
	MD: 3050'		TVD: 3050'			KOP: N/A		G.L. Elev: 6111'		
	Co-ordinates:	WELL	Latitude: 36°36.9'	Longitude: 107°32.3'		ERA	Latitude: 36°37.0'	Longitude: 107°32.3'		
	Location:	1840' FSL & 1110' FEL								
		Sec. 35, T28N, R7W								
Directional:	N/A									

THIS WELL IS TO BE DRILLED WITH SAFETY AND PROTECTION OF THE ENVIRONMENT AS THE PRIMARY OBJECTIVES! Use of the STOP program, Job Safety Analysis and Pre-Job Safety Meetings are imperative.

IT IS THE DRILLING REPRESENTATIVES RESPONSIBILITY TO READ AND FOLLOW ALL STIPULATIONS FOR EACH PERMIT AND ENSURE COMPLIANCE

REGULATORY NOTIFICATIONS

Notify the U.S. Bureau of Land Management:

1. Anytime a major deviation from the well plan (plug back, sidetrack, etc...) is going to occur. Leave a message with the intended plan if no one answers. **If in doubt notify!** Better to notify unnecessarily than not to and get a fine.
2. Immediately upon spudding
3. Complete the Notice of Spud Sundry and **FAX** to Trigon Engineering Inc. at (970) 385-9107, attention Debra Sittner. Call her at (970) 385-9100, ext. 25 or Verla Johnson @ ext. 20 to confirm that the fax was received. This is in addition to the phone calls to the BLM.
4. 24 hours prior to any BOP or casing pressure test.
5. 24 hours prior to any cementing operation

PHONE NUMBERS

BLM – Farmington: (505) 599-8907

BLM – Albuquerque: (505) 761-8700

New Mexico Oil Conservation Department: (505) 334-6178

NOTE – Permits come from either the Farmington OR Albuquerque depending upon the area. Refer to the permit for the correct number to call.

Review Emergency Response Plan before rigging up and be prepared to execute the plan if needed!

The objective of this well is to develop the Picture Cliff & Fruitland Coal geologic horizon.

Good oilfield practices are to be used throughout the drilling of this well. This includes measuring and recording the OD, ID and length of everything that goes through the rotary table, using hole covers, etc.

TIME	Days From Spud to...							
		Surf Csg Pt	Drig Out	Int. Csg Pt	Drig Out	TD	Log	Prod Csg Set
	Days	.5	1.5	N/A	N/A	4	N/A	4.5

FORMATIONS	Zone	Depth (TVD)	MW	Zone EM W	Hole Size	Csg Size	FIT / LOT	Remarks
	Surface Casing	250	8.6 – 8.8		8 ¾"	7" 20#, J-55, STC (0' to 250')	None	Severe lost circulation is possible. 200' is the minimum surface casing depth below ground level per NMOCD.
	OJAM	1943	8.5 - 8.6		6 ¼"	4.5" 10.5#, J-55, STC (0' to TD)	N/A	Possible water flows.
	KRLD	2063						
	FRLD	2460						Gas
	PCCF	2757						Gas , Possible lost circulation & differential sticking
	TOTAL DEPTH	3050	8.7 - 8.9					Gas
	PERMIT TO	3050						

LOGS	Intermediate Logs:	N/A
	TD Logs:	TDT 1000' & gamma to surface. (Cased)
	Additional Information:	Logging company to provide a sketch with all lengths, OD's & ID's of all tools prior to running in the hole.